



# **Tire Environmental Act Program**

## **Proposal Application Manual**

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# Tire Environmental Act Program

## Overview

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### BACKGROUND:

In 2015, the Tennessee Automotive Association partnered with the Tennessee Department of Environment and Conservation (TDEC) and the General Assembly to establish the Tire Environmental Fund. At the time of the first retail sale in Tennessee of a new motor vehicle that is to be titled and registered in Tennessee, a flat fee based on the number of the vehicle's wheels is assessed. The purpose of the fee is to fund projects creating or supporting beneficial end uses for waste tires.

TDEC is designated by the Tire Environmental Act as the lead state agency to develop and manage a process for implementation of the tire environmental program for beneficial end use of waste tires in Tennessee, including fund recipient selection. Oversight of Tire Environmental Act Program (TEAP) will be managed through TDEC's Office of Sustainable Practices. Reports updating program progress and metrics will be made quarterly to TDEC's Commissioner and the General Assembly.

The new tire environmental fee is imposed on the purchase of new motor vehicles pursuant to Tennessee Code Annotated § 68-211-303, while the tire pre-disposal fee enacted in 1991 is imposed on the sale of new tires, except those tires sold as a component of a new or used motor vehicle. The funds collected through the tire environmental fee and deposited in the Tire Environmental Fund are used for TEAP while the tire pre-disposal fee revenue is allocated to the Solid Waste Management Fund or to counties by the Tennessee Department of Revenue for beneficial end use of tires in accordance with Tennessee Code Annotated Title 67, Chapter 4, Part 16, and § 68-211-867.

### PURPOSE OF THE TIRE ENVIRONMENTAL ACT PROGRAM:

The purpose of TEAP is to select and fund projects that best result in a beneficial end use for waste tires as identified below. TEAP provides financial assistance to eligible entities in Tennessee to conduct or purchase, install, and construct projects that fit into one of the following eligible project categories:

- 1. Tire Recycling:** Local government, nonprofit, and for-profit entities that receive and process waste tires into a useable beneficial end-market product.
- 2. Tire-derived Product Use:** Local government, nonprofit, and for-profit entities that use waste tires in a manner that is considered a beneficial end-market use.
- 3. Research, Testing and Development:** Entities that conduct research, testing or development of beneficial end-market uses for waste tires.
- 4. Facility Improvements:** Local government, nonprofit, and for-profit entities that recycle or use recycled Tennessee tires that need facility improvements.

## ***Grant Timeline***

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### **GRANT APPLICATION DELIVERY:**

Grant applications must be received electronically in PDF (portable document format) with all grant application materials. The grant application must be submitted electronically to the email address provided in the Contact section. Upon receipt and evaluation of the grant application, TDEC will notify the applicant of the status of the application within twenty (20) calendar days.

**Facsimile applications will not be accepted.**

### **GRANT TIMELINE:**

**20 Days from Grant Application Submittal:** Status of Application (approval or denial will be communicated with applicant).

**60 Days from Application Approval:** Announcement of Award (contract\* will be awarded to successful applicants).

**\*No work shall begin on grant projects until an executed contract has been signed by all parties.**

## ***Eligibility***

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Tennessee state or local government entities and other entities that will conduct, install, or construct projects in Tennessee enhancing beneficial end markets in Tennessee for Tennessee waste tires are eligible for TEAP funding. To be eligible, an entity must obtain any permit, registration, or certification required for the proposed project by TDEC prior to application and any entity that has been issued a permit, registration, or certification by TDEC must be current and in good standing regarding such permit, registration, or certification.

### **PROJECTS NOT ELIGIBLE:**

- Tire collection sites (as identified by TDEC Division of Solid Waste Management)
- Used tire sales
- Projects that involve disposal of tires into a landfill

\* By signing the Grant Application, the Applicant certifies that the entity along with any other officers, directors, owners, partners, employees, or agents is (are) not presently debarred, suspended, proposed for debarment or suspension, or declared ineligible for an award by any state or federal agency. This is in accordance with Federal Acquisition regulation 52.209-5 and Tenn. Comp. R. & Regs. 0690-03-01-.17.

## ***Funding***

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### **GRANT REQUESTS AND MATCHING THE GRANT:**

The applicant must, at a minimum, match the grant amount requested. The applicant must specify the match percentage as one of the following:

- 50% Grant / 50% Match; or
- Greater than 50% Match (amount specified).

The match may additionally be satisfied by materials, equipment and other financial investments approved by TDEC. Professional fees and administration costs will not count towards matching funds and are not reimbursable. Projects with a more than 50% match will receive higher consideration.

### **GRANT CANCELLATION:**

- TDEC may terminate and cancel this Grant Program at any time. In such a case, TDEC will give the Applicant 30-days written notice.
- If for any reason the funds become unavailable, TDEC may cancel the Contract and will not be obligated to make any payments under the Contract after the termination date. TDEC will provide a 30-day notice of any such termination.

## ***Format and Checklist***

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### **GRANT APPLICATION CONTENT/REQUIREMENTS:**

Applicants must complete and provide the items listed below in the grant application. Details for completing the items below are provided in this grant manual.

As part of your application you will be asked to submit the following:

	<b>Submittal</b>
1	Tire Environmental Act Grant Application (2 pages).
2	Project Proposal that describes the full technical and cost detail of the project or equipment. <b>The project proposal should be no more than 5 total pages</b> , to include all selection criteria (1-6 on page 4 of this document).
	As stated above, the entire narrative portion of the project proposal or equipment description shall not exceed 5 single-spaced pages. Pages in excess of the page limit will not be reviewed. The pages must be letter-sized (8 ½ X 11 inches); recommended font size is no smaller than 10 point with 1-inch margin.

3	A completed Detailed Budget (Attachment 2) and Appendices (i.e., budget justification, letters of support, supporting documents). The budget and appendices <b>are not included in the 5 page limit</b> and must be submitted with the delivery of the application.
	Each item of the budget form is to be addressed; marked with zero if not applicable. Additional budget lines may be added to the form as required to characterize the project.
4	Project Schedule (timeline) for completing project or timeline for delivered equipment to be operational.

(Applications failing to follow the length and formatting guidelines are subject to disqualification.)

#### NOTE

- Each applicant is responsible for submitting all relevant, factual and correct information with the application. This will enable the evaluator(s) the best review of the project application.
- Funding will be awarded to applications selected according to fund limitations and the merit of the applications. Applications may be partially funded based on an agreed revised scope and budget between the Applicant and TDEC.

#### ***Selection Criteria***

**PROPOSAL:** Applicants must explain and answer each selection criteria area:

1. General Benefit for Waste Tire Use
    - a) Immediate beneficial tire uses
    - b) Long term beneficial tire uses
    - c) Quantity of Tennessee tires recycled
  2. Creative / New Technology
    - a) Unique & emerging technology
    - b) Model for future projects
    - c) Expanding end markets for tires
    - d) Case study development
    - e) Project validation
  3. Qualifications, Experience, Capabilities, and Scheduling
    - a) Relevant experience with the technology or process
    - b) Strength of team assembled including end-markets as evidenced by letters of commitment or support
    - c) Schedule, milestones, and deliverables of project
  4. Equipment Application
    - a) Relevant equipment to produce desired end product
    - b) Area or space to accommodate equipment and tires
  5. Protection of Environment Resources by Utilizing Existing Resources
  6. Ability to leverage (match) funding to enhance overall project objectives. For purposes of evaluating the applications, match may additionally be satisfied by materials, equipment and other financial investments approved by TDEC.
- ❖ Preference to be given to projects that use Tennessee contractors and local purchases of equipment.

## ***Budget***

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### **BUDGET JUSTIFICATION**

In addition to completing the budget template provided, a budget justification must be included. Details and justifications of budget line items with estimated costs must be provided for each category completed in the budget. The budget justification shall not exceed two (2) pages; this is in addition to the five (5) page limit for the project proposal.

## ***Contact***

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### **RESTRICTIONS ON COMMUNICATION WITH DEPARTMENT STAFF**

TDEC will respond to salient questions in writing with a Questions and Answers compilation and post that document to TDEC's website: <http://tn.gov/environment/article/sp-tire-environmental-act-program>.

The email below shall be the point of contact for questions throughout the application and award process. All other communications (regular mail, express mail, electronic mail, or fax), concerning this application and award process must be addressed to:

Tennessee Department of Environment and Conservation  
The Office of Sustainable Practices – Tire Environmental Act Grant  
William R. Snodgrass Tennessee Tower  
312 Rosa L. Parks Avenue, 2<sup>nd</sup> Floor  
Nashville, TN 37243  
[tire.grant@tn.gov](mailto:tire.grant@tn.gov)

Applicants should communicate with TDEC through the email identified in this manual. Limiting communication is essential in order to create fairness and impartiality in the process of reviewing the proposals for this grant program. Communication with other TDEC staff could be perceived as an effort to use special access to exert unfair influence in this discretionary grant award process. While TDEC generally encourages open communications, TDEC expects to administer this process fairly and reserves the right to reject an application for improper communication in violation of this provision.

# Frequently Asked Questions

## ***1. Reimbursement of Project Expenses***

Payment of project expenses takes place on a reimbursement basis. The Grantee must make payments for work actually completed and then submit required invoice documentation to TDEC for payment.

**TDEC will not pay project expenses for work that is performed prior to the date the grant term starts on the executed contract.**

Grantees **must not** begin work before receiving notification that the State has approved the grant contract.

Payment will be made for the awarded grant amount in accordance with The Prompt Pay Act of 1985; Tennessee Code Annotated § 12-4-701 that states that payments must be made within 45 days of the Announcement of Award.

## ***2. How will funds be made available to successful grant applicants?***

Reimbursement invoices are to be submitted for the final reimbursement and shall be submitted with the final report. Payments will be made electronically through the Automated Clearing House (ACH). Grantees will be required to provide account information in order to receive a grant reimbursement.

## ***3. Can I use part of the funds for design expenses and grant administration?***

Grant funds may not be used for architecture and engineering services.

## ***4. When can projects begin?***

Projects may begin after the Grantee is notified by State that the grant contract has been fully executed. Any work performed prior to the begin date of the approved contract will not be reimbursed.

## ***5. How long will I have to complete the project?***

Grantee will have five years from the effective date of the project contract to complete the project. There will be no term extensions regardless of justification. Projects must be completed by the end date set out in the executed contract. Work performed after the executed contract end date will not be reimbursable.

## ***6. What are the Grantee's post-completion responsibilities to the proposed project?***

Grantees are responsible for the continued operation and maintenance of the project, if appropriate and as specified in the grant contract.

It is required that grantees must submit a report for Tennessee tires that have been sent to beneficial end-market use at a frequency designated by TDEC. The reports will be required for a period of time designated by TDEC.

## ***7. Does the Davis-Bacon Act apply?***

The funding is not federal funding so Davis-Bacon does not apply. However, if the project involves a state highway construction project as defined by Tennessee Code Annotated § 12-4-402, then the Prevailing Wage Act for State Highway Construction Projects does apply.

**8. Do we need to have an engineer stamp on our proposal?**

Engineer stamps are needed for a grant application proposal that involves facility improvement projects (grading, building upgrades, etc.). The proposal for facility improvement projects must be accompanied by engineering documents and drawings certified by a licensed Professional Engineer in Tennessee.

**9. If the building is in its design phase is the project eligible to apply?**

Yes – if the project has not started.

**10. Can multiple projects go on the same application?**

No. (Limit only one application per entity, per location at a given time.)

**11. Can applicants that have received funding in past apply again?**

If an applicant has an open contract with the TDEC from a previous TEAP grant round, then the applicant can't apply. If the applicant's previous project has been physically complete for more than 30 days and has been approved as complete by TDEC, then the applicant can apply.

**12. Can we submit supplemental documents?**

Supplemental documents can be submitted with application. They must not exceed 5 pages total and do not count as part of the 5-page limit.

Letters of recommendation can also be submitted but do not count as part of the 5-page limit and must be submitted with the application.

**13. Where can I find grant documents and files?**

The Grant Application, Grant Manual, Detailed Budget form, and Questions and Answer compilation are posted to the department's website: <http://tn.gov/environment/article/sp-tire-environmental-act-program>.

**14. What are the reporting requirements associated with the grant?**

Typically, the grant contract will stipulate that reports are required at frequencies designated by the department to include origin of tires (proof of Tennessee tires being processed) and quantities of tires going to beneficial end-market use (proof of end use destinations).

**15. How soon will I receive funds for an approved grant application?**

Funds will be available 45 days from the announcement of an awarded contract. Payment will be made for the awarded grant amount in accordance with The Prompt Pay Act of 1985, Tennessee Code Annotated, Title 12, Chapter 4, part 7.